



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Approve Issuing Request for Proposal for Financial Advisor Services

MEETING DATE: June 3, 1998

PREPARED BY: Finance Director

RECOMMENDED ACTION: It is recommended that Council approve the Request for Proposal for Financial Advisor Services.

BACKGROUND INFORMATION: The 1997-98 Financial Plan and Budget lists a number of key capital improvement projects such as the Public Safety Building and the Downtown Parking Structure which may be funded by debt financing.

Financial advisors provide two key services:


- Specific assistance on a case-by-case basis for projects financing. These require specific marketing and technical skills that cannot reasonably be provided by staff.
- On-going advice and assistance on the best approach in meeting the City's capital financing needs. This assistance is particularly beneficial to the City in preparing early assessments of our financing options.

We will send a copy of the RFP to all California firms listed on the National Association of Independent Public Finance Advisors membership directory. In addition, we will include our current provider, John Fitzgerald from Seidler-Fitzgerald Public Finance and any other firms expressing interest in proposing to the City for financial advisor services.

A review committee consisting of the Deputy City Manager, the Public Works Director, the Community Development Director and the Finance Director will evaluate the proposals based on the following criteria:

- Understanding of the work required by the City
- Quality and responsiveness of the proposal
- Demonstrated competence and professional qualifications necessary for satisfactory performance of work required by the City
- Recent experience in successfully performing similar services
- Proposed approach in completing the work
- References
- Background and related experience of the specific individuals to be assigned to this project
- Proposed compensation

APPROVED: _____


H. Dixon Flynn -- City Manager

Based upon the proposals submitted, the Committee will select the top three financial advisor firms to be interviewed by the City Manager. The City Manager will make a final recommendation to the City Council.

The proposal term is for three years with an option to renew for another three years. While we expect to use the selected firm as our financial advisor on all financings over the term of the agreement, this is not an "exclusive agreement".

Financial Impact:

The method and percent of compensation will be reviewed as a part of the RFP process. Typically the financial advisor's compensation is entirely contingent on the completion of a debt issuance and is payable solely from the proceeds of the issuance. However, if there is significant involvement by the financial advisor in a City project not resulting in a debt issue, there may be some alternative compensation requirements.



Vicky McAthie
Finance Director

Attachment

CITY COUNCIL

JACK A. SIEGLOCK, Mayor
KEITH LAND,
Mayor Pro Tempore
ROBERT JOHNSON
STEPHEN J. MANN
PHILLIP A. PENNINO

CITY OF LODI

221 WEST PINE STREET
P.O. BOX 3006
LODI, CALIFORNIA 95241-1910
FAX (209) 333-6795

H. DIXON FLYNN
City Manager
ALICE M. REIMCHE
City Clerk
RANDALL A. HAYS
City Attorney

Notice Requesting Proposals for

FINANCIAL ADVISOR SERVICES

The City of Lodi is requesting sealed proposals for financial advisor services pursuant to Specification. All proposals must be received by the Finance Department by 3:00 P.M. on Friday, June 26, 1998 when they will be opened publicly in the Public Works Conference Room, City Hall, 221 West Pine, Lodi, CA 95240.

Proposals received after said time will not be considered. To guard against premature opening, each proposal shall be submitted to the Finance Department in a sealed envelope plainly marked with the proposal title, specification number, proposer name, and time and date of the proposal opening. Proposals shall be submitted using the forms provided in the specification package. Responses by Fax will not be accepted.

A pre-proposal conference will be held at City Hall Public Works Conference Room on Tuesday, June 16, 1998 at 11:00 AM. to answer any questions that the prospective proposers may have regarding the City's request for proposals.

The City of Lodi reserves the right to cancel this request, to reject any and all proposals submitted, or to waive any minor informalities if, in the judgement of the City council, the best interest of the City would be served in doing so.

Specification packages and additional information may be obtained by contacting Vicky McAthie in the Finance Department at (209) 333-6800, ext. 618.

Specification

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Enclosure: 1997-99 Financial Plan

DESCRIPTION OF WORK

Background

The City of Lodi (City) is requesting proposals from qualified consultants to provide financial advisor services. Financings, which are likely during the next three years, may include but are not limited to:

New Financings:

- Downtown Parking Structure
- Public Safety Building Remodel
- Lodi Lake Improvements
- Indoor Sports Facility
- Parks and Recreation Projects

Refinancings:

- 1991 Certificates of Participation – Wastewater Treatment Plant Facility Expansion
- 1995 Certificates of Participation – Central City Revitalization
- 1996 Certificates of Participation – Conferencing/Performing Arts Center

Financial Advisor Service

The financial advisor services requested include the following:

A. Planning and development services, including but not limited to the following:

1. Providing advice to the City on an ongoing basis regarding our capital financing needs.
2. Providing research and advice on aspects of tax exemption and arbitrage in cooperation with the City's Legal Counsel and Bond Counsel as well as assistance in obtaining Internal Revenue Service rulings as deemed necessary.
3. Preparing financing plans and assisting in the preparation and review of preliminary feasibility studies in cooperation with City officials and administrative staff, bond attorneys, accountants, architects and engineers as requested by the City. These studies outline the project costs, funding alternatives and sources, existing debt, future financing and cash flow considerations.

4. Analyzing the financing to determine methods of strengthening its marketability and to recommend the best method of marketing consistent with current economic and market conditions, as well as increasingly stringent rating agency criteria.
5. Reviewing City plans for all financings during the calendar year to determine whether the financing will be bank eligible under the \$10 million small issue exemption and whether the City will be exempt from arbitrage rebate requirements under the \$5 million annual volume exemption.
6. Performing a comprehensive analysis to determine the best possible plan of finance, including a test to determine marketability, and assistance in determining competitive vs. negotiated sale of bonds or notes.
7. Consulting with established rating agencies regarding the proposed financing, assisting the City in obtaining the most favorable rating possible, assisting with bond insurers; and providing assistance and recommendations regarding the selection of registrar/paying agent agencies.
8. Acting as liaison with Bond Counsel and coordinating with other individuals providing information in connection with the proposed financing.
9. Preparing a timetable of events for all concerned leading to the sale and delivery of an offering.
10. Providing general assistance and advice to the City on plans and methods of financing its capital improvement plans and cash flow needs.
11. Attending all meetings requested by City staff to discuss the financing of the project or at which official action will be taken by the City Council on the debt financing.

B. Marketing services for competitive issues, including but not limited to the following:

1. Advising on the appropriate terms and condition of the sale, such as maturity scheduling and other requirements (discount, par, premium, net interest cost, true interest costs, etc.). In conjunction with the above, consulting with the City and advising Bond Counsel concerning necessary covenants, and advising on advantageous features such as parity provisions, reserve requirements, sinking fund payments, redemption provisions, etc.
2. Advising on the timing of the bond sale, taking into consideration such factors as changing economic conditions, current and projected market trends, and needs of the City.
3. Coordinating with Bond Counsel regarding the preparation of amendments and distribution of the necessary contracts, authorizing resolutions, and other documents involved in the sale of bonds or other methods of financing.

4. Assisting in publicizing the issue in advance with an Official Statement, Notice of Sale, Proposal Forms and such other means necessary and advisable to develop nationwide public and institutional interest.
5. Assisting the City in meeting full disclosure requirements and conforming to suggested guidelines when preparing the Official Statement.
6. Distributing of the Official Statement to potential purchasers of the City's securities across the nation; directly contacting those lead underwriters most likely to be syndicate managers; and maximizing efforts to market the City's debt issuance most effectively.
7. Explaining the issue to potential investors by developing a comprehensive list of potential purchasers of the bonds, ensuring that each potential purchaser receives copies of all relevant financial documents, and providing information about the issue.
8. Advertising the bond sale in nationally prominent financial publications in addition to coordinating local publication requirements.
9. Attending the proposal opening to assist with the evaluation of proposals, and recommending the most favorable proposal for award.

C. Advisory services for negotiated sales, including but not limited to the following:

1. Advising on the appropriate terms and conditions of the sale, such as maturity scheduling and other requirements (discount, par, premium, net interest cost, true interest costs, etc.). In conjunction with the above, consulting with the City and advising Bond Counsel concerning necessary covenants, and advising on advantageous features such as parity provisions, reserve requirements, sinking fund payments, redemption provisions, etc.
2. Advising on the timing of the bond sale, taking into consideration such factors as changing economic conditions, current and projected market trends, and convenience to the City.
3. Coordinating with Bond Counsel regarding the preparation of amendments and distribution of the necessary contracts, authorizing resolutions, and other documents involved in the sale of bonds or other methods of financing.
4. Assisting in publicizing issue in advance with an Official Statement, Notice of Sale, Proposal Forms and such other means necessary and advisable to develop nationwide public and institutional interest.

5. Assisting the City in meeting full disclosure requirements and conforming to suggested guidelines when preparing the Official Statement.
6. Advising the City as to the appropriateness of the pricing being proposed by the negotiating underwriter, including interest rate(s), underwriting spread, level of discount, distribution of orders, allocation of spread and the like.
7. Assisting in selection of co-managers, and syndicated members and establishments of order priorities according to MSRB Rule G-11.

D. Bond closing services including but not limited to:

1. Directing, coordinating, and supervising bond closing details including proofing bond printing, registration, and delivery in the shortest possible time.
2. Furnishing a prompt, complete reinvestment analysis so that top earnings will result from investing bond proceeds, and assisting City staff and the architect/engineer in the drawdown of any funds held in escrow accounts.
3. Directing, coordinating and supervising the organization of the transcript and provision of bond and interest records to the City showing required semi-annual payment and other useful and pertinent information.
4. Soliciting proposals on investment of idle funds, if necessary.

E. Find work products relating to each financing including but not limited to proposing the following:

1. Sale analysis
2. Offering statement.
3. Two bound volumes of bond issue proceedings and closing documents (if not furnished by bond counsel).
4. Other analyses, including but not limited to an analysis of funding alternative, cash flow projections, and materials necessary for financial planning and bond sale purposes.

The Financial advisor has no responsibility to advise the City with respect to legal requirements applicable to the construction of any project, including but not limited to compliance with public bidding requirements, payment of prevailing wages and other matters incident to the contract for such construction, which matters shall be exclusively the responsibility of the City Attorney or other counsel to the City.

The 1997-99 Financial Plan

Enclosed for your information and review is the City's 1997-99 Financial Plan. Of particular interest in terms of the scope of the work are:

- Budget Message and Highlights (page A 1 to A 9).
- Policies and Objectives (Section B) especially: capital financing and debt management (pages B-11 to B-14), investments (pages B-10 to B-11); and fund balance designations and reserves (page B-10),
- Capital Improvement Plan (Section E).
- Debt Service Requirements (Section F).

GENERAL TERMS AND CONDITIONS

PROPOSAL REQUIREMENTS

1. **Requirement to Meet All Provisions.** Each individual or firm submitting a proposal shall meet all of the terms, and conditions of the Request for Proposals (RFP) specifications package. By virtue of its proposal submittal, the proposer acknowledges agreement with and acceptance of all provisions of the RFP specifications.
2. **Proposal Submittal.** Each proposal must be submitted on the form(s) provided in the specifications and accompanied by any other required submittals or supplemental materials. Proposal documents shall be enclosed in an envelope which shall be sealed and addressed to the Finance Department, City of Lodi, 212 W. Pine Street, P.O. Box 3006, Lodi, CA, 95241-1910. In order to guard against premature opening, the proposal should be clearly labeled with proposal title, name of proposer, and date and time of proposal opening. No FAX submittals will be accepted.
3. **Proposal Withdrawal and Opening.** A proposal may be withdrawn, without prejudice prior to the time specified for the opening, by submitting a written request to the Director of Finance for its withdrawal, in which event the proposal will be returned unopened. No proposal received after the time specified or at any place other than that stated in the "Notice Requesting Proposals" will be considered. All proposals will be opened and the proposer's name declared publicly. Proposers or their representatives are invited to be present at the opening of the proposals.
4. **Submittal of One Proposal Only.** No individual or business entity of any kind shall be allowed to make or file, or to be interested in more than one proposal, except an alternative proposal when specifically requested; however, an individual or business entity which has submitted a sub-proposal to a proposer submitting a proposal, or who has quoted prices on materials to such proposer, is not thereby disqualified from submitting a sub-proposal or from quoting prices to other proposers submitting proposals.
5. **Cooperative Purchasing.** During the term of the contract, the successful proposers will extend all terms and conditions to any other local governmental agencies within San Joaquin County upon their request. These agencies will issue their own purchase orders, will directly receive goods or services at their place of business, and will be directly billed by the successful proposers.
6. **Communications.** All timely requests for information submitted in writing will receive a written response from the City. Telephone communications with City staff are not encouraged, but will be permitted. However, any such oral communication shall not be binding on the City.

CONTRACT AWARD AND EXECUTION

7. **Proposal Retention and Award.** The City reserves the right to retain all proposals for a period of 60 days for examination and comparison. The City also reserves the right to waive non-substantial informalities in any proposal, to reject any or all proposals, to reject or delete one part of a proposal and accept the other, except to the extent that proposals are qualified by specific limitations. See the "special terms and conditions" in Section C of the specifications for proposal evaluation and contract award criteria.
8. **Competency and Responsibility of Proposer.** The City reserves full discretion to determine the competence and responsibility, professionally or financially, of proposer. Proposers will provide, in a timely manner, any and all information that the City deems necessary to make such a decision.
9. **Contract Requirement.** The proposer to whom award is made (financial advisor) shall execute a written contract with the City within ten (10) calendar days after notice of the award has been sent by mail to it at the address given in its proposal. The contract shall be made in the form adopted by the City and incorporated in these specifications. (See Section D)
10. **Insurance Requirements.** The financial advisor shall provide proof of insurance in the form, coverages, and amounts specified in Section E of these specifications within 10 (ten) calendar days after notice of contract award as a precondition to contract execution.
11. **Business Tax.** The financial advisor must have a valid City of Lodi business tax certificate prior to execution of the contract. Additional information regarding the City's business tax program may be obtained by calling (209) 333-6717.

CONTRACT PERFORMANCE

12. **Laws to be observed.** The financial advisor shall keep itself fully informed of and shall observe and comply with all applicable state and federal laws and county and City of Lodi ordinances, regulations and adopted codes during its performance of the work.
13. **Payment of Taxes.** The contract prices shall include full compensation for all taxes which the financial advisor is required to pay.
14. **Permits and Licenses.** The financial advisor shall procure all permits and licenses, pay all charges and fees, and give all notices necessary.
15. **Safety Provisions.** The financial advisor shall conform to the rules and regulations pertaining to safety established by OSHA and the California Division of Industrial Safety.
16. **Immigration Act of 1986.** The financial advisor warrants on behalf of itself and all subcontractors engaged for the performance of this work that only persons authorized to work in the United States pursuant to the Immigration Reform and Control Act of 1986 and over applicable law shall be employed in the performance of the work hereunder.

17. **Financial Non-Discrimination.** In the performance of this work, the financial advisor agrees that it will not engage in, nor permit such subcontractors as it may employ, to engage in discrimination in employment of persons because of age, race, color, sex, national origin or ancestry, sexual orientation, or religion of such persons.
18. **Work Delays.** Should the financial advisor be obstructed or delayed in the work required to be done hereunder by changes in the work or by any default, act, or omission of the City, or by strikes, fire, earthquake, or any other Act of God, or by the inability to obtain materials, equipment, or labor due to federal government restrictions arising out of defense or war programs, then the time of completion may, at the City' sole option, be extended for such periods as may be agreed upon by the City and the financial advisor. In the event that there is insufficient time to grant such extensions prior to the completion date of the contract, the City may, at the time of acceptance of the work, waive liquidated damages which may have accrued for failure to complete on time, due to any of the above, after hearing evidence as to the reasons for such delay, and making a finding as to the causes of same.
19. **Payment Term.** The City's payment terms are 30 days from the receipt of an original invoice and acceptance by the City of the materials, supplies, equipment, or services provided by the financial advisor.
20. **Audit.** The City shall have the option of inspecting and/or auditing all records and other written materials used by financial advisor in preparing its invoices to City as a condition precedent to any payment to financial advisor.
21. **Interests of Financial Advisor.** The financial advisor covenants that it presently has no interest, and shall not acquire any interest, direct, indirect, or otherwise, which would conflict in any manner or degree with the performance of the work hereunder. The financial advisor further covenants that, in the performance of this work, no subcontractor or person having such an interest shall be employed. The financial advisor certifies that no one who has or will have any financial interest in performing this work is an officer or employee of the City. It is hereby expressly agreed that, in the performance of the work hereunder, the financial advisor shall at all times be deemed an independent financial advisor and not an agent or employee of the City.
22. **Hold Harmless and Indemnification.** The financial advisor agrees to defend, indemnify, protect and hold the City and its Elected and Appointed Boards, Commissions, Officers, Agents and employees harmless from and against any and all claims asserted or liability established for damages or injuries to any person or property, including injury to the financial advisor's employees, agents or officers which arise from or are connected with, or are caused or claimed to be caused by, the acts or omissions of the financial advisor, and its agents, officers or employees, in performing the work or service herein, and all expenses of investigating and defending against same; provided, however, that the financial advisor's duty to indemnify and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of the City, and its Elected and Appointed Boards, Commissions, Officers, Agents and employees

23. Contract Assignment. The financial advisor shall not assign, transfer, convey or otherwise dispose of the contract, or its right, title or interest, or its power to execute such a contract to any individual or business entity of any kind without the previous written consent of the City.

24. Termination. If, during the term of the contract, the City determines that the financial advisor is not faithfully abiding by any term or condition contained herein, the City may notify the financial advisor in writing of such defect or failure to perform; which notice must give the financial advisor a 10 (ten) calendar day notice of time thereafter in which to perform said work or cure the deficiency. If the financial advisor has not performed the work or cured the deficiency within the ten days specified in the notice, such failure shall constitute a breach of the contract and the City may terminate the contract immediately by written notice to the financial advisor to said effect. Thereafter, neither party shall have any further duties, obligations, responsibilities, or rights under the contract except, however, any and all obligations of the financial advisor's surety shall remain in full force and effect, and shall not be extinguished, reduced, or in any manner waived by the termination thereof. In said event, the financial advisor shall be entitled to the reasonable value of its services performed from the beginning date in which the breach occurs up to the day it received the City's Notice of Termination, minus any offset from such payment representing the City's damages from such breach. "Reasonable value" includes fees or charges for goods or services as of the last milestone or task satisfactorily delivered or completed by the financial advisor as may be set forth in the Agreement payment schedule; compensation for any other work, service or goods performed or provided by the financial advisor shall be based solely on the City's assessment of the value of the work-in-progress in completing the overall scope of work. The City reserves the right to delay any such payment until completion or confirmed abandonment of the project, as may be determined in the City's sole discretion, so as to permit a full and complete accounting of costs. In no event, however, shall the financial advisor be entitled to receive in excess of the compensation quoted in its proposal.

Hold Harmless and Indemnification provisions, and the financial advisor's obligations under the insurance requirements and provisions of the contract shall remain in effect for services performed by the financial advisor during the period of the contract.

SPECIAL TERMS AND CONDITIONS

1. **References.** References from five cities for whom you have provided similar services should be provided. A form for this purpose is provided in Section F.
2. **Proposal Content.** Formatting of all information and documentation is left to the discretion of the proposer. However, proposals should fully address the following issues:
 - A. General qualifications of the proposer to serve as a financial advisor in California.
 - B. Experience as financial advisor to a City in which services are provided on an ongoing basis.
 - C. Provide resumes of key personnel, concentrating on both breadth of experiences and experience on similar projects.
 - D. Description of particular and interesting issues, problems, or complications which arose in previous financial advisor experiences, and how these were resolved or disposed of.
 - E. Description of the proposer's proposed compensation structure.
 - F. Any other information that would assist us in making a contract award decision.
 - G. References.
3. **Proposal Length and Copy**

Proposals should not exceed 15 pages, including attachments and supplemental materials. Five copies of the proposal must be submitted.
4. **Proposal Evaluation and Selection.** Proposals will be evaluated by a review committee based on the following criteria:
 - A. Understanding of the work required by the City
 - B. Quality and responsiveness of the proposal
 - C. Demonstrated competence and professional qualifications necessary for satisfactory performance of the work required by the City
 - D. Recent experience in successfully performing similar services
 - E. Proposed approach in completing the work
 - F. References
 - G. Background and related experience of the specific individuals to be assigned to this project
 - H. Proposed compensation

As reflected above, contract award will not be based solely on price, but on a combination of factors as determined to be in the best interest of the City. After evaluating the proposals and discussing them further with the finalists or the tentatively selected financial advisor, the City reserves the right to further negotiate the proposed work and/or method and amount of compensation.

5. **Proposal and Award Schedule.** The following is an outline of the anticipated schedule for proposal review and contract award:

Obtain City Council approval to issue RFP	6/3/98
Issue REP	6/4/98
Conduct pre-proposal conference	6/16/98
Receive proposals	6/26/98
Complete proposal evaluation	7/2/98
Conduct finalist interviews	7/13-17/98
Finalize staff recommendation	7/20/98
Obtain City Council approval to award contract	8/5/98
Execute contract	8/17/98

6. **Pre-proposal Conference.** A pre-proposal conference will be held at the following location, date, and time to answer any questions that prospective proposers may have regarding this REP:

*Tuesday, June 16, 1998 at 11:00 A.M.
City Hall Public Works Conference Room
221 W. Pine Street, Lodi, CA*

7. **Contract Term.** The term of the contract shall be for a period of three years. At the conclusion of the term the performance of the financial advisor will be evaluated. Upon mutual agreement at that time, the contract may be extended by the City Council for another period of three years.

AGREEMENT

THIS AGREEMENT is made and entered into in the City of Lodi on this _____ day of _____, by and between the CITY OF LODI, a municipal corporation, hereinafter referred to as City, and (_____), hereinafter referred to as Financial Advisor.

WITNESSETH:

WHEREAS, on June 3, 1998, City requested proposals for financial advisor services.

WHEREAS, pursuant to said request, financial advisor submitted a proposal which was accepted by City for said services.

NOW THEREFORE, in consideration of their mutual promises, obligation, and covenants hereinafter contained, the parties hereto agree as follows:

1. **TERM.** The term of this Agreement shall be for three years from the date that this Agreement is made and entered, as first written above.

2. **INCORPORATION BY REFERENCE.** City Specifications and financial advisor's proposal dated _____, are hereby incorporated in and made a part of this Agreement.

3. **CITY'S OBLIGATIONS.** For providing services as specified in this Agreement, City will pay and financial advisor shall receive therefor compensation as set forth in Exhibit A of this Agreement.

4. **CONTRACTOR'S OBLIGATIONS.** For and in consideration of the payments and agreements hereinbefore mentioned to be made and performed by City, financial advisor agrees with City to do everything required by this agreement.

5. **AMENDMENTS.** Any amendment, modification, or variation from the terms of this Agreement shall be in writing and shall be effective only upon approval by the Lodi City Council.

6. **COMPLETE AGREEMENT.** This written Agreement, including all writings specifically incorporated herein by reference, shall constitute the complete agreement between the parties hereto. No oral agreement, understanding, or representation not reduced to writing and specifically incorporated herein shall be of any force or effect, nor shall any such oral agreement, understanding, or representation be binding upon the parties hereto.

7. **RELEASE OF REPORTS AND INFORMATION.** Any reports, information, data, or other material given to, prepared by or assembled by the Financial Advisor as part of the work or services under these specifications shall be the property of City and shall not be made available to any individual or organization by the Financial Advisor without the prior written approval of the City.
8. **COPIES OF REPORTS AND INFORMATION.** If the City requests additional copies of reports, drawings, specifications, or any other material in addition to what the Financial Advisor is required to furnish in limited quantities as part of the work or services under these specifications, the Firm shall provide such additional copies as are requested, and City shall compensate the Firm for the costs of duplicating of such copies at the Firm's direct expense.
9. **NON-EXCLUSIVE CONTRACT.** The City reserves the right to contract with other financial advisor firms during the contract term.
10. **TERMINATION.** If, during the term of the contract, the City determines that the financial advisor is not faithfully abiding by any term or condition contained herein, the City may notify the financial advisor in writing of such defect or failure to perform; which notice must give the financial advisor a 10 (ten) calendar day notice of time thereafter in which to perform said work or cure the deficiency.
11. **NOTICE.** All written notices to the parties hereto shall be sent by United States mail, postage prepaid by registered or certified mail addressed as follows:

12. **AUTHORITY TO EXECUTE AGREEMENT.** Both City and financial advisor do covenant that each individual executing this agreement on behalf of each party is a person duly authorized and empowered to execute Agreements for such party.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed the day and year first above written.

ATTEST:

CITY OF LODI
A Municipal Corporation

City Clerk

By: _____
City Manager

APPROVED AS TO FORM:

Financial Advisor

City Attorney

By: _____

INSURANCE REQUIREMENTS

The financial advisor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the financial advisor, its agents, representatives, employees, or subcontractors.

Minimum Scope of Insurance. Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
2. Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).
3. Workers' Compensation insurance as required by the State of California and Employers Liability Insurance.
4. Errors and Omissions Liability insurance as appropriate to the financial advisor's profession.

Minimum Limits of Insurance. Financial advisor shall maintain limits no less than:

1. General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability. \$ 1,000,000 per accident for bodily injury and property damage.
3. Employers' Liability: \$1,000,000 per accident for bodily injury or disease.
4. Errors and Omissions Liability: \$1,000,000 per occurrence.

Deductibles and Self-Insured Retention's. Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its Elected and Appointed Boards, Commissions, Officers, Agents, and employees; or the Financial advisor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions. The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The City, its Elected and Appointed Boards, Commissions, Officers, Agents, and employees are to be covered as additional insured as respects: liability arising out of activities performed by or on behalf of the Financial advisor; products and completed operations of the financial advisor; premises owned, occupied or used by the Financial advisor; or automobiles owned, leased, hired or borrowed by the Financial advisor. The coverage shall contain no special limitations on the scope of protection afforded to the City, its Elected and Appointed Boards, Commissions, Officers, Agents, and employees
2. The address of the City must be shown along with number 1 above, (i.e. Additional Insured, City, its Elected and Appointed Boards, Commissions, Officers, Agents, and employees, 221 W. Pine Street, Lodi, Ca. 95240). This must be the street address NOT the post office box.

3. In addition to the additional named insured endorsement on Lessee's policy of insurance, said insurance policy shall be endorsed to include the following language or reasonable facsimile: "Such insurance as is afforded by the endorsement for the Additional Insured's shall apply as primary insurance. Any other insurance maintained by the City its Elected and Appointed Boards, Commissions, Officers, Agents, and employees shall be excess only and not contributing with the coinsurance afforded by this endorsement."
4. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the City, its Elected and Appointed Boards, Commissions, Officers, Agents, and employees.
5. The financial advisor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
6. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be set aside, voided, cancelled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

Verification of Coverage. Financial advisor shall furnish the City with a certificate of insurance showing maintenance of the required insurance coverage. Original endorsements effecting general liability and automobile liability coverage required by this clause must also be provided. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by the City before work commences.

REFERENCES

Number of years engaged in providing the services included within the scope of the specifications under the present business name: _____

Describe fully the last five contracts performed which demonstrate your ability to provide the services included with the scope of the specifications. Attach additional pages if required. The City reserves the right to contact each of the references listed for additional information regarding your firm's qualifications.

Reference No. 1

Customer Name	
Contact Individual	
Telephone & Fax Number	
Street Address	
City, State, Zip Code	
Description of services provided including contract amount, when provided and project outcome	

Reference No. 2

Customer Name	
Contact Individual	
Telephone & Fax Number	
Street Address	
City, State, Zip Code	
Description of services provided including contract amount, when provided and project outcome	

Reference No. 3

Customer Name	
Contact Individual	
Telephone & Fax Number	
Street Address	
City, State, Zip Code	
Description of services provided including contract amount, when provided and project outcome	

Reference No. 4

Customer Name	
Contact Individual	
Telephone & Fax Number	
Street Address	
City, State, Zip Code	
Description of services provided including contract amount, when provided and project outcome	

Reference No. 5

Customer Name	
Contact Individual	
Telephone & Fax Number	
Street Address	
City, State, Zip Code	
Description of services provided including contract amount, when provided and project outcome	

SUBMITTAL CHECKLIST

- A. Proposal Addresses:
 - General qualifications of the proposer to serve as a financial advisor in California.
 - Experience as financial advisor to a City in which services are provided on an ongoing basis.
 - Description of particular and interesting issues, problems, or complications which arose in previous financial advisor experiences, and how these were resolved or disposed of.
- B. Description of the proposer's proposed compensation structure.
- C. Five References.
- D. Five Copies of Proposal.
- E. Proposal limited to 15 pages.
- F. Resumes of key personnel, concentrating on both breadth of experiences and experience on similar projects.